



## Transmission Facilitation Program (TFP)

Funded through the Bipartisan Infrastructure Law, the U.S. Department of Energy (DOE) has developed a \$2.5 billion Transmission Facilitation Program (TFP) that will help build and expand interregional transmission lines across the country. The TFP, administered by the Grid Deployment Office as part of the Building a Better Grid Initiative, is a revolving fund program that will provide Federal support to overcome the financial hurdles in the development of large-scale new transmission lines and upgrading existing transmission as well as the connection of microgrids in select States and U.S. territories.

Under the TFP, an eligible applicant is any entity seeking to carry out a project that constructs, replaces, or upgrades a transmission line that is either not less than 1,000 megawatts (MW) for new lines or 500 MW for existing lines as well as a project that connects microgrids in select States and U.S. territories. To support these projects, DOE is authorized to borrow up to \$2.5 billion through three facilitation tools:

- ▶ Capacity contracts with eligible projects where DOE would serve as an “anchor tenant” to buy up to 50% of planned line rating for up to 40 years and to sell the contract to recover costs
- ▶ Loans from DOE
- ▶ DOE participation in public-private partnerships within a national interest electric transmission corridor (NIETC) and where necessary to accommodate an increase in electricity demand across more than one state or transmission planning region

### First Round Selections

On October 30, 2023, DOE announced that it is entering into capacity contract negotiations with a commitment of up to \$1.3 billion in three transmission projects across six states aimed at adding 3.5 GW of additional grid capacity and creating more than 8,000 high quality jobs. Through capacity contracts, DOE will commit to purchasing a percentage of the total proposed capacity of the eligible transmission line. By offering capacity contracts, DOE increases the confidence of additional investors, encourages additional customers to purchase transmission line capacity, and reduces the overall risk for project developers.

DOE anticipates releasing a second round of TFP funding in the first half of 2024 through a request for proposals that may include a combination of public-private partnerships, loans, and capacity contracts, totaling \$1 billion.

### Contact and helpful links:

- To read the Request for Proposals and learn how to apply, please visit <https://www.energy.gov/gdo/transmission-facilitation-program>
- Visit the Grid and Transmission Program Conductor to see which DOE financing program is right for you at <https://www.energy.gov/gdo/grid-and-transmission-program-conductor>
- With questions or comments, please reach out to: [transmission@hq.doe.gov](mailto:transmission@hq.doe.gov)

**\*\*\*UPDATED AS OF OCTOBER 30, 2023. SUBJECT TO CHANGE\*\*\***

